



Testimony to Finance Committee
April 23, 2015

Good Morning members of the Finance Committee

My name is Joseph J. Stango and I reside at 85 Hampton Court in Southbury Connecticut. Today is reminiscent of the day my mother sat beside me in a wheel chair as I gave testimony to on behalf of a better way to provide portability in Medicaid services. That historic day we saw the beginning of Money Follows the Person.

Two years later I came here again to ask that Money Follows the Person be expanded to provide 5000 people with the opportunity to go home. Thankfully our plan earned the support of both parties in both chambers. That bill, SB 561, submitted to you in 2008, received a unanimous vote by every member of this body and was signed into law by Governor Jodi Rell. Since that day approximately 2500 people have come home from nursing homes. When we first began this quest we testified that providing care at home would save the state 50% of the cost of Medicaid. However, over these past 7 years DSS tells us that we wrong. We are not saving 50% we are saving 64% of the cost of institutional care. When the final tally is submitted the state will have saved over \$54 M.

According to the governors proposed budget the administration expects MFP to save \$17M in the next fiscal cycle. This should provide a clue to all of us the answer to Medicaid's myriad problem.

We should take pride in knowing that the State of Connecticut is one of the leading states in the nation for bringing patients home from nursing homes. However, we should be disappointed that the state is also one of the leading

states in first institutionalizing people. In summary, we should not be cutting home services we should focus our efforts on providing more of those services.

While we should take comfort in knowing the state is saving money we should also be asking where is that money going? When you originally passed SB 561 you called for not only expanding the program to accommodate 5000 people but also you provided for the reinvestment of the savings into the communities to not only bring people home faster but also divert those that can choose, from the more costly nursing home option.

Sadly, the money was never reinvested and, as a result, we have waiting lists of patients waiting to go home under MFP. They are waiting for those services that the promise of reinvestment would have provided. Housing, transportation, non-medical care that are provided in home are just a few of the services needed to reform our system.

The issue in our state has not been the desire to reform it has been the short sightedness that we have experienced. To cut costs in Medicaid while providing meaningful services and independence to our most vulnerable citizens we must acknowledge and commit to a long term plan.

Today, I would encourage you to do two actions.

1. First and foremost maintain current Medicaid funding levels including:
 - A. Reimbursements to nursing home facilities
 - B. Reimbursements to health care providers
 - C. Personal Needs Allowances (PNA)
 - D. Category 1 of the Home Care Program

Additionally, I ask you to maintain the current co-payment to seniors at the 7% level and not increase it to the proposed 14%.

Also, consider allowing voluntary bed reductions by nursing homes to ease the MFP waiting list. Such action would save money for the state as beds would be closed and it would expedite the waiting list process.

- 2) I ask you to convene a special panel consisting Members of this Committee, representatives from the Connecticut Association of Health Care

Facilities, the Connecticut Association of Homecare, advocates for patient choice and other appropriate constituencies. This committee should be charged with the responsibility of creating long term cost savings and reform while providing complete choice to seniors and persons with disabilities.

Money Follows the Person should be the model that points the way to a Choice Centered Medicaid program.

Members of the Finance Committee, it is not necessary to raise taxes because of Medicaid nor is it necessary to cut services of seniors and persons with disabilities. There is a better way.